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13 **IN THE UNITED STATES BANKRUPTCY COURT**  
14 **DISTRICT OF ARIZONA**

15 In re:

16 TIMOTHY RAY WRIGHT,

17 Debtor.

Chapter 11 Proceedings

Case No. 2:09-BK-32244-SSC

**WASHINGTON FEDERAL SAVINGS'  
OBJECTION TO DEBTOR'S  
DISCLOSURE STATEMENT TO  
ACCOMPANY THE DEBTOR'S  
FIRST PLAN OF REORGANIZATION**

Date: May 26, 2010

Time: 11:00 a.m.

Location: 230 N. First Avenue  
Courtroom 701, 7<sup>th</sup> Floor,  
Phoenix, AZ

18  
19 WASHINGTON FEDERAL SAVINGS (“WFS”), a secured creditor in this Chapter  
20 11 bankruptcy proceeding, by and through its undersigned attorneys, hereby objects to the  
21 Debtor’s Disclosure Statement to Accompany the Debtor’s First Plan of Reorganization  
22 (“Disclosure Statement”). The substance of WFS’s Objection is set out in the Memorandum  
23 of Points and Authorities attached hereto.

24 DATED this 19<sup>th</sup> day of May 2010.

JENNINGS, STROUSS & SALMON, P.A.C.

By: /s/ BJS #006723

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**MEMORANDUM OF POINTS AND AUTHORITIES**

**I. The Underlying Plan Described by the Disclosure Statement is Patently Unconfirmable Which Must Result in the Court Disapproving the Proposed Disclosure Statement.**

Debtor's Disclosure Statement describes Debtor, an individual real estate entrepreneur, and his goal of being engaged in ambitious and overly aggressive rental property investments. Unfortunately, Debtor's business plan has not yielded cash flow sufficient to support the enormous secured debt Debtor has incurred nor sufficient income to sustain Debtor's lifestyle. The Disclosure Statement reflects that rental income is declining since 2007. (See p. 10). The Disclosure Statement shows that Debtor's adjusted gross income for the tax years 2005 through 2009 has been dramatically and annually decreasing -- \$771,125 to \$8,228 to <\$77,053> to <\$1,167.859> to <\$1,224,104>, respectively.

Debtor's Schedules and Statements reflect total assets of \$40,752,488 against total liabilities of \$43,477,695.

Debtor's 160 separate parcels of real property comprise approximately 240 rental units primarily located in Maricopa County, Arizona. Real property values in Arizona have been in a sharp decline over the past five years and loans that were made to Debtor by the secured creditors in this case, which initially were likely fully secured, are now dramatically undersecured. Debtor himself admits in his Liquidation Analysis (see Exhibit E, p. 3) that if the real estate assets were to be liquidated today, the estate would realize a net value of

1 \$34,645,946. Comparing that value against the total secured debt of \$43,255,355 reveals an  
2 admitted shortfall of \$8,609,409. Debtor therefore admits that his real estate portfolio is \$8.6  
3 million underwater.

4 **A. No Surrender of Properties – Even those Without Equity.**

5 To date, 27 Motions for Relief from the Automatic Stay have been filed by secured  
6 creditors. Some of those Motions are filings by the same creditor to obtain stay relief on a  
7 single, discreet parcel of real property collateral. Other creditors, like WFS, have filed one  
8 consolidated Motion for Stay Relief seeking termination of the automatic stay on multiple  
9 properties – in WFS’s case, 16 separate real property parcels. (Attached hereto as Exhibit A  
10 is chart that outlines the 27 Motions for Stay Relief that have been filed to date which  
11 reference 54 separate real properties that are targeted by these Motions.)

12 Incredibly, in spite of all of the Motions for Stay Relief that have been filed, Debtor  
13 refuses to acknowledge that the stay should be vacated on any properties that are clearly,  
14 significantly and undisputedly underwater. The Debtor has filed repetitive responses to the  
15 motions as to properties that are worth less than the debt by alleging the property is in stable  
16 condition; the property is leased; the property is indispensable for a effective reorganization;  
17 property values will rebound; and/or that the amount of undersecured portion of the debt is  
18 nominal.

19 **B. Improper Classification of Claims.**

20 In order for the Debtor to successfully confirm his Chapter 11 Plan, voting on the Plan  
21 must result in at least one accepting, impaired class of creditors consenting to the Plan. To  
22 date, there is absolutely no evidence that the Debtor has any creditor support for his Plan. In  
23 order to accomplish the insurmountable task of obtaining an impaired accepting class, the  
24 Debtor has separately classified each of the 23 secured creditors into its/her/or his own  
25 separate class. (See secured creditors set out in Section 3.2 of the Plan at Subsections 3.2.1  
26 through 3.2.27.) Such gerrymandering of similarly-situated creditors for whom identical

1 treatment is being proposed is not an appropriate classification and such classification has  
2 been rejected by courts in this circuit.

3 “[A] debtor cannot classify similar claims differently in order to gerrymander an  
4 affirmative vote on a reorganization plan.” *See, e.g., In re Barakat*, 99 F.3d 1520, 1526 (9th  
5 Cir.1996) (citing *Phoenix Mut. Life Ins. Co. v. Greystone III Joint Venture (In re Greystone*  
6 *III)*, 995 F.2d 1274, 1279 (5th Cir. 1991)) (internal citations and quotations omitted). Under  
7 *Barakat*, a plan of reorganization cannot treat similarly situated creditors differently unless  
8 there is a reasonable legitimate business or economic justification for doing so. *In re*  
9 *Barakat*, 99 F.3d at 1526. Simply put, “thou shalt not classify similar claims differently in  
10 order to gerrymander an affirmative vote on a reorganization plan.” *Id.* at 1524 (quoting *In re*  
11 *Greystone III*, 995 F.2d at 1279).

12 **C. Unreasonable Treatment of Secured Creditors.**

13 The proposed treatment of the 23 secured creditors with real property collateral is as  
14 follows:

15 After the Effective Date, all Net Cash Collateral will be distributed to the respective 23  
16 secured creditors. Thereafter, the Debtor shall pay monthly interest-only payments at the rate  
17 of 3.5% for the first two years after the Effective Date; monthly interest-only payments at the  
18 rate of 4% for the next one year; monthly interest-only payments at the rate of 4.5% for the  
19 next one year; and monthly interest-only payments at the rate of 5% with a 30 year  
20 amortization for the next one year. After the fifth year, *at the sole election of the Debtor*,  
21 either the loans secured by first deeds of trust will all be due and payable or the loans shall be  
22 deemed fully reinstated at the end of five years *as if no default had occurred*. (See Debtor’s  
23 Plan at Section 4.2.A).

24 The Disclosure Statement is fatally flawed on the “adequate information” requirement  
25 because it provides no projections or analysis of how Debtor proposes to satisfy even these  
26 unreasonably low interest-only payments. There is no spread sheet that shows each creditor’s

1 proposed payments or a total of the payments.

2 It is inconceivable to WFS that any secured creditor would agree to such unreasonable  
3 and unfair treatment of their secured claims. For example, WFS has six separate interest rate  
4 amounts that were agreed to between WFS and Debtor at the time its 16 promissory notes  
5 were signed. WFS' interest rates range from 6.00% (one loan); 6.125% (one loan); 6.25%  
6 (four loans); 6.375% (five loans); 6.50% (two loans); and 6.875% (three loans).  
7 Significantly, these interest rates were negotiated pursuant to Debtor's represented financial  
8 condition at the time the loans were made and based on real property values as appraised in  
9 2003, 2005 and 2009. If anything, due to the change in the economy and Debtor's defaults,  
10 the interest rates under the Plan ought to be at a higher rate than WFS' contracted for rates  
11 when Debtor was more credit worthy.

12 Ironically, Debtor's Disclosure Statement reveals that where the Debtor is a secured  
13 lender he has taken a more aggressive approach on setting interest rates. On his 2008 sale of  
14 the 6939 E. Hummingbird, Paradise Valley, Arizona property, Debtor's buyers, Dennis M.  
15 and Elizabeth J. Danzik, executed a carryback promissory note in the amount of \$5,950,000  
16 to Debtor. Interestingly, Debtor set the interest rate on that carryback note at 6% per annum.  
17 (See *Disclosure Statement*, p. 39, line 23.) However, when the Debtor is the borrower and  
18 needs to repay money to secured creditors, he suggests that 3.5% to 5% interest is reasonable.  
19 The Debtor has not provided any justification for the substantial reduction in rates and  
20 suspension of principal payments based upon any objective standard or precedent. (See  
21 *Disclosure Statement* at Section IV. A.)

22 **D. Unsecured Creditor Treatment is Not Feasible or Reasonable.**

23 Debtor's proposed treatment of unsecured creditors is also nonsensical (See Section  
24 4.3.1 of the Plan.) The Debtor proposes to pay unsecured creditors 100% of their allowed  
25 claims on or before five years from the Effective Date of the Plan. However, the Debtor will  
26 only be paying unsecured creditors 1% of their allowed claims in quarterly payments during

1 that five year period. In other words, Debtor asserts that he will pay 20 quarters (five years)  
2 at 1% per quarter which would be a total of 20% payment to unsecured creditors after five  
3 years. This does not equal 100%. Debtor's proposed treatment for unsecured creditors is  
4 disingenuous and internally inconsistent. Also, since the vast majority of the secured  
5 creditors in this case will hold unsecured deficiency claims, the undersecured creditor  
6 claimants will control the voting in this class. Again, it seems clear these creditors will vote  
7 to reject the Plan. Finally, this treatment is suspect and unreasonable on its face and causes  
8 the underlying Plan to be nonconfirmable.

9 **E. The Disclosure Statement Cannot be Approved Given this Patently**  
10 **Unconfirmable Plan.**

11 As noted at the beginning of this Section, disclosure statements that describe an  
12 underlying, unconfirmable plan can not be approved by the court. This is a well-established  
13 principle that has been followed by many courts in this circuit.

14 "It is now well accepted that a court may disapprove of a disclosure statement, even if  
15 it provides adequate information about a proposed plan, if the plan could not possibly be  
16 confirmed." *In re Main St. AC, Inc.*, 234 B.R. 771, 775 (Bankr. N.D. Cal. 1999); *In re*  
17 *Beyond.com Corp.*, 289 B.R. 138, 140 (Bankr. N.D. Cal. 2003) ("Because the underlying plan  
18 is patently unconfirmable, the disclosure statement may not be approved."); see also *In re*  
19 *O'Leary*, 183 B.R. 338, 338-39 (Bankr. D. Mass. 1995) ("Courts may refuse to approve  
20 disclosure statements that describe plans that cannot be confirmed."). Courts adhere to this  
21 principle to "prevent diminution of the estate." *In re Percht*, 57 B.R. 137, 139 (Bankr. E.D.  
22 Va. 1986).

23 These legal holdings apply in the present case. Debtor's Disclosure Statement cannot be  
24 approved.

25  
26 . . .

1 **II. The Disclosure Statement Fails to Adequately Describe Numerous Proposed**  
2 **Provisions of Debtor's Plan Which Deficiencies Prevent the Disclosure Statement from**  
3 **Being Approved.**

4 For the Disclosure Statement to be approved, §1125(a)(1) of the Code requires that it  
5 contain "adequate information". On its face, the Disclosure Statement does not do so in the  
6 following areas:

7 1. The underlying Plan describes a "reserve fund" of \$450,000 that will be  
8 maintained by the Debtor during the term of the Plan. An amount of \$200,000 is designated  
9 as "Summer Reserves". The other \$250,000 is to be set aside for capital improvements.  
10 There is nothing in either the Disclosure Statement or the Plan, however, that sets out any  
11 calculation or analysis as to how those numbers were derived. More information must be  
12 given about this reserve fund proposal. (See *Plan* at Section 5.2.)

13 2. The Debtor proposes that he shall have the exclusive authority to sell or  
14 refinance individual real properties. He then makes a blanket statement that the secured  
15 creditors "shall be satisfied from such sales or refinancing of individual properties." (See  
16 *Disclosure Statement*, p. 27, lines 10-11.) It is wholly unreasonable and unrealistic for the  
17 Debtor to impose unilateral sales or refinancing terms on secured creditors. Beyond that, the  
18 Debtor makes the brash statement that from proceeds of these sales or refinancing, he will  
19 pursue "the acquisition of additional individual real properties". (*Id.* at lines 11-12.) Thus,  
20 not only is the Debtor seeking the have the exclusive right to sell or refinance the properties  
21 or loans, but he then suggests that he would also be allowed to take the sale proceeds or  
22 refinancing proceeds and purchase additional properties. This proposed course of business  
23 dealing would proceed while Debtor forces his secured creditors to take completely  
24 unacceptable, minimal interest-only payments, at below market rates. WFS submits that no  
25 secured creditor would ever vote in favor of a Plan with these outrageous terms. Again, this  
26 fact renders the Disclosure Statement incapable of being approved. (See *Plan* at Section 6.3.)

1           3. Debtor sets out a peculiar proposal for defaults. Debtor's Plan at Section 7.4  
2 suggests that "the Debtor may, at [his] option, elect to abandon a specific real property to the  
3 holders of the Secured Claims thereon by written notice of such election..." This procedure is  
4 called "Election of Abandonment." The Debtor however, also proposes that whenever he  
5 elects to abandon a property that the election "shall constitute a waiver of ... the recourse and  
6 deficiency rules...under applicable Arizona or California state laws." In other words, Debtor  
7 would set up a procedure whereby, at his own election, secured creditors would be forced to  
8 abandon and waive all of their further enforcement rights or recourse in deficiency claims to  
9 the extent such rights may exist. No secured creditor would vote in favor of such a provision.

10           4. The Plan at Section 8.3 describes a method by which avoidance claims arising  
11 under §§544 through 551 would be assigned to a Creditor's Trust. The Plan at this Section  
12 references this Creditor's Trust and it terms as set out in an Exhibit A attached to the Plan.  
13 However, no such proposed Creditor's Trust is attached to the Plan. Creditors have no ability  
14 to comment on this proposed trust since no draft trust is attached. WFS would have concerns  
15 with such an arrangement in any event. How is the trustee of the trust to be appointed? How  
16 is the trustee to be compensated? How is the trustee to determine whether to bring an action,  
17 settle a claim or abandon rights to pursue claims all together? How are the proceeds from any  
18 such litigation to be allocated among the creditors? Further analysis and explanation need to  
19 be provided here.

20           5. Set out as Exhibit E to the Disclosure Statement is Debtor's Liquidation  
21 Analysis. The analysis is in narrative format and does not include references to how the data  
22 was obtained, the identity of the person who furnished information and any assurance to  
23 creditors that the information contained therein is objective and independently verified. On  
24 the contrary, throughout the Liquidation Analysis the Debtor is opining as to his position on  
25 values, market trends, absorption rates, liquidation values, holding periods and other  
26 valuation analyses. WFS submits that the Liquidation Analysis is biased and clearly not



1 objective. The Liquidation Analysis must be replaced with an analysis that reflects objective  
2 third party data and facts.

3 **III. CONCLUSION.**

4 Debtor's Disclosure Statement cannot be approved. The Disclosure Statement  
5 improperly classifies creditors in an attempt at gerrymandering the vote contrary to the  
6 Bankruptcy Code and case law; the underlying Plan is not confirmable on its face and the  
7 Disclosure Statement cannot therefore be approved; and the Disclosure Statement fails to  
8 contain adequate information as required by §1125(a)(1) of the Code which prevents the  
9 Disclosure Statement from being approved.

10 WHEREFORE, WFS respectfully urges the Court to enter its order denying approval  
11 of the Disclosure Statement; directing Debtor to submit a Disclosure Statement that comports  
12 with the legal requirements described herein, if the Debtor is able to do so; and for such other  
13 and further relief as the Court deems just and proper.

14 RESPECTFULLY SUBMITTED this 19<sup>th</sup> day of May, 2010.

15  
16 JENNINGS, STROUSS & SALMON, P.L.C.

17 By: /s/ BJS #006723

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13 /s/ Deborah Sharp

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## **EXHIBIT A**

# **LIFT STAY MOTIONS (Rev. 5/18/10)**

<b>Lender</b>	<b>Property</b>	<b>Motion</b>	<b>Objection</b>
MidFirst  Agreed Stay Relief Order (#211)	5195 E. Camelback, Phoenix;  6988 E. Paradise Ranch Road, Paradise Valley	(#89)	Stable; Good Condition; Rent Sequestered; To extent no Equity- Indispensible; Real property arrearage <i>de minimis</i> (#134)
Johnson Bank  Order Granting Relief (#261)	Lot at Asher Hills	Property transferred to Helen Dumas on 6/12/09; No monthly Payments made since 7/1/09. (#151)	No Objection filed
Northern Trust (Prelim: 5/26/10 at 1:30)(#332)	9714 N. 71 <sup>st</sup> St. Paradise Valley	No equity Not needed Reorg (#144)	\$450,000 cushion Maintained; Good Condition (#170)
PHH (4/28/10 Vacated W/o Prej.)	129 E. Vista Del Cerro	No equity Not needed Reorg (#146)	\$25,000 cushion Maintained + Rents Good Condition 3 bdr, 2bath Camelback Corridor (#179)
PHH (Prelim: 5/26/10 at 1:30)(#332)	8702 E. San Daniel, Scottsdale	No equity Not needed Reorg (#148)	\$81,200 cushion +Rents McCormick Ranch Master Planned Community (#183)
Helen Dumas	1210 S. Maple	No equity No adequate protection (#158)	Value is stable; Good Condition; Leased; Rents sequestered; Income stream can be used to make payments under plan; 10% shortfall Inconsequential; Will Rebound (#197)

Bank of Oklahoma (Prelim: 6/9/10 at 1:30 p.m.) (#407)	1409 S. Mill	No equity Not needed Reorg (#166)	Value is stable; Good Condition; Rents Sequestered; Once had equity cushion; Will ultimately rebound; Indispensible. (#232)
Bank of Oklahoma (Prelim: 6/9/10 at 1:30 p.m.) (#407)	1204 W. 7 <sup>th</sup> St.	No equity Not needed Reorg (#168)	Value is stable; Good Condition; Rents Sequestered; Once had equity cushion and will ultimately rebound; Indispensible. (#231)
TMST (Prelim: 5/26/10 at 1:30 p.m.) (#389)	425 W. 14 <sup>th</sup> St.	No equity Not needed Reorg (#173)	Lender on Note and Deed of Trust differs (Metrocities vs. MERS); Value is stable; Good Condition; Rents Sequestered; No equity; Will rebound; Indispensible (#234)
TMST (Prelim: 5/26/10 at 1:30 p.m.) (#390)	906 S. Farmer	No equity Not needed Reorg (#175)	Lender on Note and Deed of Trust differs (Metrocities vs. MERS); Value is stable; Good Condition; Rents Sequestered; No equity; Will rebound; Indispensible (#240)
TMST (Prelim: 6/9/10 at 1:30 p.m.) (#408)	924 S. Roosevelt	No equity; Not needed Reorg (#177)	Lender on Note and Deed of Trust differs (Metrocities vs. MERS); Value is stable; Good Condition; Rents Sequestered; No equity; Will rebound; Indispensible (#233)

TMST (Prelim: 6/9/10 at 1:30 p.m.) (#407)	1215 S. Farmer	No equity; Not needed Reorg (#181)	Lender on Note and Deed of Trust differs (Metrocities vs. MERS) Value is stable; Good Condition; Rents Sequestered; No equity; Will rebound; Indispensible (#239)
TMST	1229 S. Roosevelt	No equity; Not needed Reorg (#330)	Transfer of Note and DOT Questioned; Stable; Good Condition; Will Rebound; Rents Sequestered; 2009 Taxes Paid; Indispensible (#401)
TMST	1320 S. Ash	No equity; Not needed Reorg (#348)	Transfer of Note and DOT Questioned; Stable; Good Condition; Will Rebound; Rents Sequestered; 2009 Taxes Paid; Indispensible (#404)
TMST	528 W. 17 <sup>th</sup> Pl.	No equity; Not needed Reorg (#376) Filed: 5/7/10	
Wells Fargo (Prelim: 5/26/10 at 1:30 p.m.) (#396)	837 4 <sup>th</sup> Street Encinitas, CA	No equity; Not needed Reorg (#185)	Home Equity LOC; Wells Fargo also has the First lien; Value stable; Good condition; Value Dropped but major Upscale Whole Foods Grocery opening nearby; Debtor has moved to Pay the real property Taxes for 2009; Indispensible (#241)



Chase	1404 E. Hudson	No equity; Not needed Reorg (#200)	\$46,000 Cushion; Rents sequestered; Indispensible (#251)
Chase	513 3 <sup>rd</sup> Street Encinitas, CA	No equity; Not needed Reorg (#222)	Value stable; Good Condition; Admits upside down \$131,597; Rents sequestered; Indispensible; Debtor Has filed a Plan; New Upscale Whole Foods Grocery opening nearby (#281)
Chase	520 W. 18 <sup>th</sup> St.	No equity; Not needed Reorg (#224)	\$57,504 Cushion; Rents sequestered; Indispensible (#280)
Chase	1031-1033 S. Farmer	No equity; No needed Reorg; (#253)	Value stable; Will rebound when economies are restored to health; Rents sequestered; Good Condition; Debtor moved for authority to pay real property taxes; Indispensible (#314)
Chase	1018 W. 12 <sup>th</sup> Pl.	No equity; Not needed Reorg (#259)	\$43,228.70 Cushion; Good condition; Indispensible (#315)
Chase	740 W. 9th St.	No equity; Not needed Reorg (#312)	Value stable; Will Rebound; Rents sequestered; Good Condition; Debtor moved for authority to pay real property taxes; Indispensible (#383)

Chase	3855 S. Mill Ave.	No equity Not needed Reorg (#323)	Value stable; Will Rebound; Rents sequestered; Debtor moved for authority to pay real property taxes; Indispensible (#382)
Chase	1015 S. Farmer	No equity Not needed Reorg (#355)	Value stable; Good Condition; Will Rebound; Rents Sequestered; Paid 2009 Taxes; Indispensible (#406)
Chase	632 W. 3 <sup>rd</sup> St.	No equity Not needed Reorg (#409) 5/18/10	
WFS (Final Hearing:	828 E. Campus	No equity Not needed Reorg (#242)	Will Rebound; Good Condition; Indispensible (#297)
WFS (Final Hearing:	913 E. Parkway	No equity Not needed Reorg (#242)	Will Rebound; Good Condition; Indispensible (#297)
WFS (Final Hearing:	1140 S. Farmer	No equity Not needed Reorg (#242)	Will Rebound; Good Condition; Indispensible (#297)
WFS (Final Hearing:	1191 S. Maple	No equity Not needed Reorg (#242)	Will Rebound; Good Condition; Indispensible (#297)
WFS (Final Hearing:	1204 S. Maple	No equity Not needed Reorg (#242)	Will Rebound; Good Condition; Indispensible (#297)
WFS (Final Hearing:	1208 S. Roosevelt	No equity Not needed Reorg (#242)	Will Rebound; Good Condition; Indispensible (#297)

WFS (Final Hearing:	1211 S. Ash Ave.	No equity Not needed Reorg (#242)	Will Rebound; Good Condition; Indispensible (#297)
WFS (Final Hearing:	1226 S. Wilson	No equity Not needed Reorg (#242)	Will Rebound; Good Condition; Indispensible (#297)
WFS (Final Hearing:	1503 E. Hudson	No equity Not needed Reorg (#242)	Will Rebound; Good Condition; Indispensible (#297)
WFS (Final Hearing:	900 S. Wilson	No equity Not needed Reorg (#242)	Will Rebound; Good Condition; Indispensible (#297)
WFS (Final Hearing:	115 W. 11 <sup>th</sup> St.	Plan unconfirmable (#242)	Equity; Good Condition; Rents Sequestered (#297)
WFS (Final Hearing:	428 W. Howe	Plan unconfirmable (#242)	Equity; Good Condition; Rents Sequestered (#297)
WFS (Final Hearing:	602 W. Howe	Plan unconfirmable (#242)	Equity; Good Condition; Rents Sequestered (#297)
WFS (Final Hearing:	1432 E. Hudson	Fails <i>Mellor</i> test; Plan unconfirmable (#242)	Equity; Good Condition; Rents Sequestered (#297)
WFS (Final Hearing:	1731 S. Marilyn Ann Dr.	Fails <i>Mellor</i> test; Plan unconfirmable (#242)	Equity; Good Condition; Rents Sequestered (#297)

WFS (Final Hearing:	4138 E. Mercer	Plan unconfirmable (#242)	Equity; Good Condition; Rents Sequestered (#297)
Compass	700 W. University (19 condos)	No equity Not needed Reorg (#353) Filed 5/3/10	
Compass	1112 S. Bonnie Ln.	No equity Not needed Reorg (#353) Filed 5/3/10	
Compass	419 W. 11 <sup>th</sup> St.	No equity Not needed Reorg (#353) Filed 5/3/10	
Compass	405 W. 11 <sup>th</sup> St.	No equity Not needed Reorg (#353) Filed 5/3/10	
Compass	1135-1137 Judd St.	No equity Not needed Reorg (#353) Filed 5/3/10	
Compass	431 W. 9 <sup>th</sup> St.	No equity Not needed Reorg (#353) Filed 5/3/10	
Compass	1230 S. Wilson St.	No equity Not needed Reorg (#353) Filed 5/3/10	

Compass	3620 S. Wilson St.	No equity Not needed Reorg (#353) Filed 5/3/10
Compass	1415 W.7 <sup>th</sup> St.	No equity Not needed Reorg (#353) Filed 5/3/10
Compass	1421 W. 7 <sup>th</sup> St.	No equity Not needed Reorg (#353) Filed 5/3/10
Compass	1026 S. Maple	No equity Not needed Reorg (#353) Filed 5/3/10
Compass	1328 E. Hall St.	No equity Not needed Reorg (#353) Filed 5/3/10